REMARKS

The Office Action mailed on October 9, 2003, is hereby acknowledged. Applicants thank the Examiner for his consideration of the amendment filed on July 8, 2001, and the determination that claims 5-17 and 20 include allowable subject matter. In addition, Applicants request reexamination of the above-mentioned application in view of the remarks which follow.

The Examiner rejected claims 1-4 and 18 under 35 U.S.C. § 103(a) as being unpatentable over Matsuzoe (EP0660655). The Examiner asserts that Matsuzoe discloses a transport system for small components arranged in series comprising a chain with a plurality of chain links having an opening cavity formed therein. The Examiner further asserts that the cavity includes at least two walls and a central web (the center of 13) including resilient arms (either ends of 13) laterally extending therefrom and extending from the full height within the cavity. One of the walls is resilient, and the other wall is rigid. In addition, the Examiner asserts that Matsuzoe also discloses that the upper ends of the resilient arms are free standing, and the rigid outside wall includes a slope (see Figure 1).

The Examiner believes that Matsuzoe fails to disclose orientating the resilient wall opposite the rigid wall. However, the Examiner asserts: "it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the wall arrangement of Matsuzoe's invention with that of the Applicants' invention, thereby changing the resilient wall opposite to the rigid wall to provide for a slightly larger range of different sized conveyed electrical components." Applicants respectfully disagree.

The reason for rejection made by the Examiner appears to display an improper use of hindsight. The Examiner appears to be modifying the wall arrangement of Matsuzoe's invention with that of the Applicants' invention. As expressed by the U.S. Supreme Court, there is a need "to guard against slipping in hindsight." <u>Graham v. John Deere Co.</u>, 383 U.S. 1, 36, 148 U.S.P.Q. 459, 474 (1965). Furthermore, a "determination of obviousness cannot be based on hindsight combination of components selectively culled from the prior art to fit the parameters of the patented invention." <u>ADT Corp. v. Lydall, Inc.</u>, 159 F.3d

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534, 546, 48 U.S.P.Q.2d 1321, 1329 (Fed. Cir. 1998). Thus, the Examiner may not rely upon the Applicants' invention as a basis for modifying the invention disclosed in Matsuzoe in order to render the Applicants' invention obvious under 35 U.S.C. § 103(a).

Even had the Examiner not considered the Applicants' invention, the teachings of Matsuzoe are in direct contrast to the invention set forth in claims 1-4 and 18. Both claim 1 and claim 18 require that the cavity include a pair of walls located opposite one another. One of the walls must be rigid, and the opposite must be resilient. Conversely, the invention of Matsuzoe is directed to a cavity flanked by two resilient walls in order to hold a precision device within the cavity. In the Summary of the Invention section, Matsuzoe specifically describes that each tray includes two or more elastic members or resilient walls in order to hold the chip within the tray. Further, each of the elastic members includes locking pawls that are automatically retracted away from the chip, as a chip is placed into or removed from the cavity. Thus, Matsuzoe is specifically directed toward a tray or cavity in which it is necessary to have at least two opposed resilient walls within which the chip may be held. Nothing in Matsuzoe suggests replacing one of the resilient, elastic members with a rigid wall. Further, such a replacement is contrary to the teaching of Matsuzoe, since the rigid walls disclosed in Matsuzoe are fixed and do not retract when removing or inserting the chip into the cavity.

The M.P.E.P. states that when applying 35 U.S.C. § 103, certain tenants of patent law must be adhered to, including the tenant that references must be considered as a whole and must suggest desirability, and thus the obviousnessness, of making the combination suggested by the Examiner. See M.P.E.P., page 2100-14. Furthermore, "it is impermissible within the framework of § 103 to pick and choose from any one reference only so much of it as will support a given position to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art." In re Wesslau, 353 F.2d 238, 241, 148 U.S.P.Q. 391, 393 (CCPA 1965). Thus, without a showing that Matsuzoe provides motivation for replacing one of the resilient walls with the rigid wall, the obviousness rejection made under 35 U.S.C. § 103 is improper. If the Examiner does disagree, Applicants request that the Examiner provide

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specific teachings and motivation in Matsuzoe for altering the reference in the manner suggested by the Examiner, as is required by M.P.E.P. § 2143.

In light of Matsuzoe's failure to teach or provide motivation for replacing one of the resilient walls with a rigid wall, Applicants believe independent claims 1 and 18, which require both a resilient wall and a rigid wall located opposite one another, are in condition for allowance. Furthermore, since all other rejected claims depend from claims 1 and 18, these claims must also be in condition for allowance. Thus, Applicants believe claims 1-18 and 20 are in condition for allowance and respectfully request passage thereof. If the Examiner disagrees, Applicants request the Examiner contact the undersigned to discuss any outstanding issues.

If necessary to effect a timely response, please consider this paper a request for an extension of time, and charge any shortages in fees, or apply any overpayment credits, to Baker & Daniels' Deposit Account No. 02-0387 (72262.90014). However, please do not include the payment of issue fees.

Respectfully submitted,

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I hereby certify that this correspondence is being deposited with the U.S. Postal Service as First Class Mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on

February 19, 2004

Date _

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